ENTITLED, An Act to prohibit the use or possession of scanning devices or reencoders with intent to defraud and to provide a penalty therefor.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. Terms used in this Act mean:

- (1) "Reencoder," an electronic device that places encoded information from the magnetic strip or stripe of a payment card onto the magnetic strip or stripe of a different payment card;
- (2) "Scanning device," a scanner, reader, or any other electronic device that is used to access, read, scan, obtain, memorize, or store, temporarily or permanently, information encoded on the magnetic strip or stripe of a payment card.

Section 2. No person may use a scanning device to access, read, obtain, memorize, or store, temporarily or permanently, information encoded on the magnetic strip or stripe of a payment card with the intent to defraud. A violation of this section is a Class 6 felony.

Section 3. No person may use a reencoder to place information encoded on the magnetic strip or stripe of a payment card onto the magnetic strip or stripe of a different card without the permission of the authorized user of the card from which the information is being reencoded and with the intent to defraud. A violation of this section is a Class 6 felony.

Section 4. No person may own or possess a scanning device or a reencoder with the intent to use such scanning device or reencoder to defraud. A violation of this section is a Class 1 misdemeanor.

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An Act to prohibit the use or possession of scanning devices or reencoders with intent to defraud and to provide a penalty therefor.

I certify that the attached Act originated in the	Received at this Executive Office this day of,
HOUSE as Bill No. 1187	20 at M.
Chief Clerk	By for the Governor
Speaker of the House	The attached Act is hereby approved this day of, A.D., 20
Attest:	
Chief Clerk	Governor
	STATE OF SOUTH DAKOTA,
President of the Senate	Office of the Secretary of State ss.
Attest:	Filed, 20 at o'clock M.
Secretary of the Senate	
	Secretary of State
House Bill No. <u>1187</u>	ByAsst. Secretary of State
File No Chapter No	<b>9</b> 1 1111111